

## Message Text

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ACTION EB-07

INFO OCT-01 EUR-12 ISO-00 AEC-05 AID-05 CEA-01 CIAE-00

CIEP-01 COME-00 DODE-00 FEAE-00 FPC-01 H-01 INR-07

INT-05 L-02 NSAE-00 NSC-05 OMB-01 PM-03 SAM-01 OES-03

SP-02 SS-15 STR-01 TRSE-00 FRB-03 SAJ-01 PRS-01 PA-01

USIA-06 /091 W

----- 014832

R 131430Z FEB 75

FM AMEMBASSY PRAGUE

TO SECSTATE WASHDC 7610

INFO AMEMBASSY BELGRADE

RUFHJAAMEMBASSY BERLIN 1182

AMEMBASSY BUCHAREST

AMEMBASSY BUDAPEST

AMEMBASSY SOFIA

AMEMBASSY WARSAW

C O N F I D E N T I A L PRAGUE 0323

EO. 11652: GDS

TAGS: ENRG, UR, CZ, GE

SUBJECT: OIL PRICE SITUATION

1. AT NATO AMBASSADORS LUNCH FEBRUARY 12 SEVERAL AMBASSADORS REPORTED THAT SOVIETS HAD RAISED PRICE OF OIL TO 36-39 RUBLES PER TON EFFECTIVE JANUARY 1, 1975. IT WAS REPORTED THAT CZECHOSLOVAKS HAD APPARENTLY BEEN FIRST IN EE TO ACCEPT THIS PRICE FROM SOVIETS. GERMAN AMBASSADOR SAID HIS UNDERSTANDING WAS THAT GDR AND CZECHOSLOVAKIA WERE THE ONLY TWO EE COUNTRIES TO HAVE PLEDGED PUBLICLY NO INCREASE IN PRICES TO THE PUBLIC. (THIS DESPITE PERENNIAL RUMORS IN PRAGUE THAT GASOLINE PRICES AT THE PUMP WILL GO UP THIS SPRING.) ITALIAN AMBASSADOR CITED REPORT THAT PRICE WOULD GO UP TO 54 RUBLES PER TON IN 1976. HE ALSO QUOTED REPORT THAT CZECH INVESTMENT IN OREN-  
BURG PIPELINE HAD BEEN CUT FROM \$2.2 BILLION TO \$1.6 BILLION.

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2. UK AMBASSADOR REPORTED RECENT CALL ON EHRENBERGER, MINISTER FUELS AND ENERGY. EHRENBERGER REFUSED TO COMMENT ON OIL PRICE SITUATION, BUT WAS FRANK TO ADMIT THAT CZECHOSLOVAKIA FACED ENORMOUS DIFFICULTIES IN ENERGY SUPPLY AND HE DID NOT KNOW HOW TO SOLVE THE PROBLEM. EHRENBERGER TOLD UK AMBASSADOR THAT MILD WINTER HAD RESCUED CZECHOSLOVAKIA FROM PERILOUS SITUATION, BUT NEXT YEAR HAD THEM WORRIED. HE PLEDGED HOWEVER THAT IF CUTS IN FUEL CAME IT WOULD NOT BE AT EXPENSE OF HOME CONSUMPTION (HEATING, ETC.).

3. IT IS NOT CLEAR HOW AUTHORITATIVE THESE REPORTS ARE ON OIL PRICE INCREASES, BUT SEVERAL AMBASSADORS OR CHARGES SEEMED TO BELIEVE THEY HAD FIRM EVIDENCE THAT INCREASES WERE ALREADY IN EFFECT, POST-DATED TO JANUARY 1, AND APPLYING TO ALL SHIPMENTS THIS YEAR (PLANNED OR BEYOND-PLAN). DUTCH CHARGE SAID FIRMLY THAT HIS AMBASSADOR (DEAN OF THE DIPLOMATIC CORPS) HAD CONFIRMATION OF THE PRICE INCREASE FROM ONE OF THE HIGHEST AUTHORITIES IN CZECHOSLOVAKIA, WHO HAD ALSO ACKNOWLEDGED THAT THE INCREASE GAVE THE CZECHS SERIOUS PROBLEMS.  
PERRY

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM, PRICES, AMBASSADORS MEETINGS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 13 FEB 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** GolinoFR  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975PRAGUE00323  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750053-0280  
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**Line Count:** 81  
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**Office:** ACTION EB  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Page Count:** 2  
**Previous Channel Indicators:** n/a  
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**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** GolinoFR  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 02 MAY 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <02 MAY 2003 by CunninFX>; APPROVED <05 MAY 2003 by GolinoFR>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** OIL PRICE SITUATION  
**TAGS:** ENRG, UR, CZ, GC, IT, UK, NATO  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006